

**AGREEMENT BETWEEN
THE REPUBLIC OF HAITI AND
THE UNITED STATES OF AMERICA
REGARDING THE REDUCTION OF DEBTS OWED TO, GUARANTEED
BY, OR INSURED BY THE UNITED STATES GOVERNMENT AND ITS
AGENCIES**

**The Republic of Haiti ("Haiti")
and
The United States of America (the "United States") agree as follows:**

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ARTICLE I

Application of the Agreement

1. In accordance with the recommendation contained in the December 12, 2006 Agreed Minutes on the Consolidation of the Debt of the Republic of Haiti, signed in Paris on December 12, 2006 (hereinafter referred to as the "Minute") by representatives of certain nations, including the United States (hereinafter referred to as "Participating Creditor Countries") and by the representative of Haiti, the September 1999 commitment of the President of the United States to provide 100 percent debt forgiveness on eligible debt to certain Heavily Indebted Poor Countries, and in accordance with the applicable domestic laws of the United States and Haiti, the United States and Haiti agree to reduce certain payments by Haiti with respect to debts which are owed to, guaranteed by or insured by the United States Government and its Agencies.
2. With respect to amounts due to the Export-Import Bank of the United States ("Ex-Im Bank"), the United States Department of Defense ("DoD") and the United States Agency for International Development ("USAID"), each agency will notify Haiti of the respective amounts reduced hereunder.

ARTICLE II

Definitions

1. "Contracts" means those agreements or other financial arrangements which have maturities under:
 - (a) Loans from the United States or its Agencies having original maturities of more than one year, which were extended to the Government of Haiti or the Haitian Public Sector, or covered by the guarantee of the Government of Haiti or the Haitian Public Sector, pursuant to an agreement or other financial arrangement concluded before June 20, 1999;
 - (b) Commercial credits guaranteed or insured by the United States or its Agencies, having original maturities of more than one year, which were extended to the Government of Haiti or to the Haitian Public Sector, or covered by the guarantee of the Government of Haiti or the Haitian Public



Sector, pursuant to an agreement or other financial arrangement concluded before June 20, 1999; and

(c) The bilateral debt rescheduling agreement ("Rescheduling Agreement") between the United States and Haiti dated August 7, 1995.

Debt service due as a result of debts described above and effected through special payment mechanisms or other external accounts is covered by this Agreement.

A table listing the relevant contracts to be included under the debt reduction is attached hereto as Annex A.

2. "Agencies" mean the United States Agency for International Development ("USAID"), the United States Department of Defense ("DOD"), and the Export-Import Bank of the United States ("Ex-Im Bank").

3. "Consolidation Period" means (i) the period from November 1, 2006 through October 31, 2007, inclusive, if the conditions of Article IV, subparagraph (2)(a) are satisfied; or (ii) the period from November 1, 2006 through October 31, 2008, inclusive, if the conditions of Article IV, subparagraph (2)(b) are satisfied; or (iii) the period from November 1, 2006 through October 31, 2009, inclusive, if the conditions of Article IV, subparagraph (2)(c) are satisfied;

4. "Consolidated Debt" means one hundred (100) percent of the amount of principal and interest falling due during the Consolidation Period under the Contracts specified in paragraph 1 of this Article.

5. "Consolidated Arrears" mean 100 percent of the amounts of unpaid principal and interest, including Late Interest Charges, due as of October 31, 2006, inclusive, under the Contracts specified in this Article.

6. "Late Interest Charges" mean interest on unpaid principal and unpaid interest accrued from the original contractual due date through October 31, 2006, inclusive, and not paid in accordance with the terms of the Contracts.

7. "Completion Point" means the date(s) on which the Boards of the International Monetary Fund (IMF) and the International Development Association ("IDA") decide that the Republic of Haiti has reached its Completion Point as defined under the Enhanced Debt Initiative for the Heavily Indebted Poor Countries.



ARTICLE III

Terms and Conditions of Payment

1. One hundred (100) percent of Haiti's Consolidated Debt and Consolidated Arrears is hereby cancelled.

A table summarizing the amount of Consolidated Debt and Consolidated Arrears cancelled if the Consolidation Period covers the period from November 1, 2006 through October 31, 2007, inclusive, is attached hereto as Annex B1. A table summarizing the amount of Consolidated Debt and Consolidated Arrears cancelled if the Consolidation Period covers the period from November 1, 2006 through October 31, 2008, is attached hereto as Annex B2. A table summarizing the amount of Consolidated Debt and Consolidated Arrears cancelled if the Consolidation Period covers the period from November 1, 2006 through October 31, 2009, is attached hereto as Annex B3.

ARTICLE IV

General Provisions

1. Haiti will seek to secure from its external creditors not participating in the Minute, including banks and suppliers, rescheduling or refinancing arrangements on terms comparable to those set forth in the Minute for credits of comparable maturities, committing to avoid unequal treatment between creditors, as more specifically defined in the Minute. Haiti agrees to grant the United States and its Agencies treatment on terms no less favorable than those that it has accorded, or may accord, to any other creditor country or its agencies for the consolidation of debts of comparable maturities.

2. The provisions of Article III of this Agreement will apply as follows:

a) from November 1, 2006 through October 31, 2007, provided that the Government of Haiti continues to have an appropriate arrangement with the International Monetary Fund (IMF) under the Poverty Reduction and Growth Facility (PRGF);

b) from November 1, 2006 through October 31, 2008, provided that: (i) the Chairman of the Paris Club Secretariat or his designee has notified Haiti in writing that the Consolidation Period has been extended into its second phase, as specified



in the Minute, and (ii) Haiti has made to creditor countries on due dates, the payments referred to in the Minute.

c) from November 1, 2006 through October 31, 2009, provided that: (i) the Chairman of the Paris Club Secretariat or his designee has notified Haiti in writing that the Consolidation Period has been extended into its third phase, as specified in the Minute, and (ii) Haiti has made to creditor countries on due dates, the payments referred to in the Minute.

3. The United States and Haiti agree that the August 7, 1995 bilateral debt rescheduling Agreement between the United States and Haiti remains in force and that the terms of the debt reduction under the 1995 Agreement will be fully applied prior to implementation of the terms of this Agreement.

4. Except as they may be modified by this Agreement, all terms of the Contracts remain in full force and effect.

5. With respect to amounts owed to Ex-Im Bank under this Agreement, Haiti (referred to as the "Government" in Annex C hereto) agrees to the additional terms and conditions set forth in Annex C.

6. With respect to amounts owed to USAID under this Agreement, Haiti (referred to as the "Government" in Annex D hereto) agrees to the additional terms and conditions set forth in Annex D.

7. With respect to amounts owed to DoD under this Agreement, Haiti (referred to as the "Government" in Annex E hereto) agrees to the additional terms and conditions set forth in Annex E.

8. This Agreement may be amended or modified by mutual consent of the United States and Haiti.

Article V

Subsequent Debt Reduction

If, following conclusion of the Consolidation Period, but prior to a Paris Club meeting to consider completion point treatment for Haiti under the Enhanced Initiative for Heavily Indebted Poor Countries, the Paris Club determines that conditions in Haiti warrant additional debt relief, the United States reserves the



right to provide additional interim debt relief to Haiti under such terms and conditions as the United States deems appropriate. The United States will notify Haiti in writing of the terms and conditions of such additional interim debt relief.

ARTICLE VI

Suspension or Termination

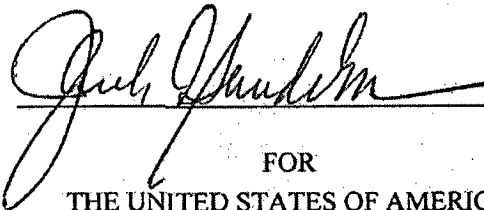
The United States may suspend or terminate this Agreement by giving sixty (60) days written notice to Haiti. In particular, the United States may terminate all or part of this Agreement if the Participating Creditor Countries determine that Haiti has not met its obligations under the Minute, including that of comparable treatment. If the United States terminates all or part of this Agreement, all debts cancelled under this Agreement shall be due and payable immediately according to terms of the original Contracts, following notification to Haiti of the United States' exercise of this right of termination.

ARTICLE VII

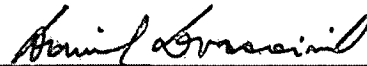
Entry into Force

This Agreement shall enter into force following signature of the Agreement and receipt by Haiti of written notice from the United States that all necessary domestic legal requirements for entry into force of the Agreement have been fulfilled.

Done in Port-au-Prince, Haiti in the English language, this 16th day of April, 2007.



FOR
THE UNITED STATES OF AMERICA
JANET A. SANDERSON
AMBASSADOR



FOR
THE GOVERNMENT OF HAITI
DANIEL DORSAINVIL
MINISTER OF ECONOMY AND FINANCE

ANNEX A

Contracts Subject to Reduction

Export-Import Bank

R0216

Department of Defense

HA957D

Agency for International Development

521L005

521T006

521T007

521T008

521L009R

521T010R

ANNEX B1

Summary of Consolidated Debt and Consolidated Arrears
for the period November 1, 2006 through October 31, 2007
(thousands of U.S. dollars)

Ex-Im: 261

DOD: 19

USAID: 912

ANNEX B2

Summary of Consolidated Debt and Consolidated Arrears
for the period November 1, 2006 through October 31, 2008
(thousands of U.S. dollars)

Ex-Im: 574

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DOD: 39

USAID: 1,824

ANNEX B3

Summary of Consolidated Debt and Consolidated Arrears
for the period November 1, 2006 through October 31, 2009
(thousands of U.S. dollars)

Ex-Im: 907

DOD: 59

USAID: 2,736

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ANNEX C
ADDITIONAL TERMS AND CONDITIONS WITH RESPECT TO
AMOUNTS OWING TO EX-IM BANK

The Government of the Republic of Haiti, (hereinafter referred to as the "Government"), agrees to the following additional terms and conditions with respect to the amounts owing to Ex-Im Bank, guaranteed by Ex-Im Bank, or insured by Ex-Im Bank, pursuant to the attached Agreement between the United States of America and the Government:

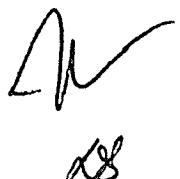
A. Representations. The Government represents and warrants that it has taken all actions necessary or advisable under its laws and regulations to authorize the execution, delivery and performance of this Agreement and that this Agreement constitutes the valid and binding obligations of the Government, enforceable against the Government in accordance with its terms and for the performance of which the full faith and credit of the Government is pledged. The Government acknowledges that the activities contemplated by this Agreement are commercial in nature rather than governmental or public and agrees that, to the extent that it has or hereafter may acquire immunity from suit, judgment and/or execution, it will not assert or claim any such right of immunity with respect to any action by Ex-Im Bank to enforce the Government's obligations under this Agreement.

B. Miscellaneous Provisions.

1. Expenses. The Government shall pay on demand all reasonable costs and expenses incurred by or charged to Ex-Im Bank in connection with or arising out of this Agreement, including without limitation costs and legal fees incurred by or charged to Ex-Im Bank in connection with the enforcement of this Agreement.

2. Adjustments. On or about 135 days after the execution of this Agreement, Ex-Im Bank shall inform the Government of the actual amounts to be reduced hereunder. The parties hereto agree to make any necessary adjustments to the amounts being reduced.

3. Communications. All communications between the Government and Ex-Im Bank under this Agreement shall be in writing, in the English language (or accompanied by an accurate English translation). All communications to the

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Government shall be addressed to the Government at the address designated by the Government from time to time in writing to Ex-Im Bank; all communications to Ex-Im Bank shall be addressed to Ex-Im Bank at the following address:

Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, D.C. 20571
Attention: Treasurer-Controller
Telex: 89461 EX-IM BANK WSH
197681 EXIM UT
Facsimile: (202) 565-3890
Reference: Ex-Im Bank Loan R-0301

Payment Instructions:

U.S. Treasury Department
021030004
TREAS NYC/CTR/
BNF=/AC-4984 OBI=
EXPORT-IMPORT BANK
Due _____ on EIB Loan No R-0301
From the Republic of Haiti

4. Governing Law. The Ex-Im Bank portion of this Agreement shall be governed by and construed in accordance with, the laws of the District of Columbia, United States of America.

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Annex D

ADDITIONAL TERMS AND CONDITIONS WITH RESPECT TO
AMOUNTS OWING TO USAID

A. GENERAL PROVISIONS

1. Communications. All communications between the Government and USAID shall be in writing in the English language (or accompanied by an accurate translation). All communications to the Government shall be addressed as the Government may designate from time to time in writing to USAID. All communications to USAID shall be addressed as follows:

Chief
Office of Financial Management, Loan Management Division (FM/LM)
USAID
1300 Pennsylvania Avenue, N.W.
Room 2.10.56
Washington, D.C. 20523
Fax: (202) 216-3541

USAID may change this designated address upon written notice to the Government.



Annex E

ADDITIONAL TERMS AND CONDITIONS WITH RESPECT TO
AMOUNTS OWING TO DoD

No failure or delay on the part of the Department of Defense to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof.

All statements, reports, certificates, opinions and other documents or information furnished to the Department of Defense under this Agreement shall be supplied by the Government without cost to the Department of Defense.

The Government shall reimburse the Department of Defense, on demand, for all reasonable and documented out-of-pocket expenses (including legal fees) incurred by the Department of Defense in connection with the enforcement of this Agreement.

To the extent that the Government has or hereafter may acquire immunity from suit, judgment, and/or execution, the Government agrees that it shall not assert or claim any such right of immunity with respect to any action to enforce its obligations under this Agreement, except as provided for in the Government's judicial codes with respect to execution through the courts of the Government.

Upon entry into force of this Agreement, the Department of Defense shall consider arrears as having been forgiven for the purposes of resuming the provision of assistance to the Government. The Department of Defense will notify the Government of the amounts forgiven.

The Department of Defense portion of this Agreement shall be governed by, and construed in accordance with, the laws of the District of Columbia, United States of America.

All communications between the Government and the Department of Defense shall be in writing, in the English language at the following address:

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Defense Security Cooperation Agency

Crystal Gateway North

Suite 303

1111 Jefferson Davis Highway

Arlington, VA 22202-4306

Facsimile: (703) 604-6538

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